Amendments to the Specification:

Please replace paragraph [0034] with the following amended paragraph:

[0034] Referring to Figure 7, the depth D₂ of the perfing rule 22 at the stepped tooth region 27 also preferably ranges from a depth sufficient to leave about zero to one half of the batt uncut. Typically the stepped area would not be a sharpened or serrated portion of the blade, so that the depth of the cut goes from zero to one half of the batt depth. More preferably, the depth D₂ of the perfing rule 22 at the stepped tooth region 27 is set to leave most or all of the batt uncut. Preferably the height (D₃-D₂) of the steps in the perfing rule 22 are between approximately 1/8 to 1 inch. Preferably the depth D₃ of the perfing rule 22 at the unstepped regions 29 is sufficient to completely cut through the faced or unfaced batt. This depth D3 preferably ranges from approximately 1 inch to about 7 inches. Preferably, the perfing rule 22 is formed such that there is a 2 to 1 ratio of unstepped regions 29 to stepped regions 27. However, the ratio of unstepped to unstepped width may be from 1:1 to 12:1. For example, the unstepped regions 29 may be two inches wide, followed by stepped regions 27 having a one half inch width (a 4:1 ratio). Other ratios may also be employed, including, for example, a 3:1 ratio of unstepped to stepped regions. The width W₂ of the perking perfing rule 22 is a minimum of 15 or 23 inches, and preferably about 17 inches or about 25 inches to correspond to the typical widths of glass fiber insulation. Other preferred perfing rule widths of 48 or 120 inches may also be used.